

FISCAL NOTE

SB 810 - HB 1604

March 27, 2001

SUMMARY OF BILL: Provides that local governments may privatize fire protection or related services only if a majority of the voters in the jurisdiction authorize such action. Specifies that the provisions do not affect current contracts with private companies for such services that are already in existence on the effective date of the act. Specifies that firefighters, emergency medical technicians, firefighter emergency medical technicians, emergency medical technician paramedics, and firefighter emergency medical technician paramedics employed by local governments shall not be held personally liable for claims of malpractice arising out of their duties of employment.

ESTIMATED FISCAL IMPACT:

Increase Local Govt. Expenditures - Not Significant

Local Govt. Expenditures - Cost Avoidance - Exceeds \$100,000

Estimate assumes that a local government entity would put the question regarding privatization of fire protection to the voters at the same time as a general election to avoid additional costs. There would be an increase in local government expenditures to the extent that any such entity which is currently receiving fire protection services through a contract with a private provider is no longer authorized to execute such contracts and provides fire protection services at a greater expense. However, any increase in expenditures is estimated to be not significant.

The October, 2000 state Supreme Court decision in *Mooney v. Sneed* affirmed the lower court's decision that EMT's and EMT-P's were health care practitioners and were not protected by immunity provisions of the Tennessee Governmental Tort Liability Act. This estimate assumes in the absence of the bill, local governments would have to purchase malpractice insurance for EMT's and EMT-P's that they employ. The cost of such insurance is estimated to be significant.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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